of beverages bases and essences. The Company will have 100 per cent foreign equity amounting to Rs. 60 crores by itself or through its subsidiaries/associate companies. The company will maintain an export-import ratio of 3 : 1. There will be divided balancing for seven years from the date of commencement of production and this will be over asd above the 3 : 1 export-import ratio separately stipulated. The company offered to make the following commitments, which have been noted:—

(i) Company does not envisage any payment of technical/licence fees, payment for the use of patents royalties training fees or any other consultancy, lumpsum payment.

(ii) The projected imports of essential flavouring essences is Rs. 78 crores in the first seven years.

(ii) The estimated inflow of foreign exchange by exports is Rs. 234 crores over the first seven years.

(iv) No dividend remittance for the first seven years.

(c) M/s. JMRPCO Ltd. and M/s. Pepsi Foods Limited are the other similar projects approved, the details of which are given below:—

(i) M/s. JMRPCO Ltd., a company incorporated in Hongkong, having NRI equity share holding of 60 per cent and 40 per cent share holding by M/s. Coca Cola South Asia Holdings wholly owned subsidiary of the Coca Cola Co. of U.S.A. with M/s. Britannia Industries Limited, Calcutta, and a Maharashtra State Government Agency has been granted approval for setting up a unit for manufacture of processed extruded snacks, processed nuts, stackable potato chips and beverage bases/ essences in Maharashtra on 21-1-92.

(ii) M/s. Pepsi Food Ltd. have been granted approval for processing potato/ grain foods, processed fruit/vegetable products and soft drink concentrates in Punjab.

Malpractices adopted by M/s. German Remedies and M/s. Glaxo Labs

@681. SHRI ANANTRAM JAISWAL:
SHRIMATI SATYA BAHIN:

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether it is a fact that factories of M/s. German Remedies and M/s. Glaxo Labs. were ordered to be closed in Bombay, on account of not following manufacturing practices;

(b) whether it is a fact that the companies were found packing obsolete samples for sale in the madket and also formulating imported date expired bulk drugs;

(c) what are the full detail of the allegations against both these companies and what action has been taken on the allegations; and

(d) whether it is also a fact that both these companies are passing off heavy sums to their parent companies through over invoicing and if so, what are the details in this regard?

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI B. SHANKARANAND): (a) to (c) According to information received from the State Government, the manufacturing licences were ordered to be suspended from 15-7-93 to 24-7-93 in respect of the Worli factory of M/s. Glaxo (India) Ltd. for not observing good manufacturing practices and from 25-10-93 to 8-11-93 in respect of German Remedies Ltd. for not observing manufacturing practices and storing date expired drugs, etc. However, both the companies have obtained interim stay from competent authorities.

(d) There is no such information.

@Previously Unstarred Qlestion No. 8, transferred from 2nd December, 93.